

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	3,000,000		3,000,000	
CASH FUNDS				
FEDERAL FUNDS	See Below		See Below	
OTHER FUNDS				
TOTAL FUNDS	3,000,000		3,000,000	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill establishes a family finding services pilot program within each service area of the Department of Health and Human Services. The Department will contract with one or more family finding services. A portion of all cases involving state wards who are in foster care or former wards participating in the Bridge to Independence Program shall be referred to the family finding contractors. The Department is required to establish a data collection system. An evaluation by an academic institution is required beginning in the third year of the pilot project. The bill states intent to appropriate \$3 million in General Funds for each year of the project along with federal matching funds. The pilot terminates on June 30, 2019.

The bill states legislative intent to appropriate \$3 million in General Funds for each year of the pilot project. It is unknown if Title IV-E federal funding will be available. Up to an additional \$3 million would be available if it is determined that Title IV-E funding can be used. Since the bill establishes pilot projects in each service area, the size of the pilots can be adjusted to fit within the legislative appropriations. If only General funds are used, it is estimated that between 390 to 486 children would be serve in the pilot. Under the maximum amount of federal funding, that number increases to approximately 730 children.

The Department will have administrative costs for contract monitoring and oversight of the pilot and evaluation costs. The total of \$236,573 in FY 16 and \$229,942 in FY 17 are assumed in the \$3 million per year appropriation referenced in the bill.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 243	AM:	AGENCY/POLT. SUB: HHS	
REVIEWED BY: Elton Larson	DATE: 2/18/2015	PHONE: 471-4173	
COMMENTS: HHS analysis and estimate of fiscal impact appear reasonable.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Mason

Date Prepared:(4) 2-12-15

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	<u>FY 2015-2016</u>		<u>FY 2016-2017</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$236,573		\$229,942	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$236,573		\$229,942	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 243 has a fiscal impact on the Department of Health and Human Services (DHHS). Specifically, sections 4, 5, 7, and 8 contain the provisions that impact the department. Section 6 contains the Legislature’s intent to allocate \$3,000,000 of state general funds per year through SFY19.

Section 4 creates a pilot project for family finding services. Section 5 requires a portion of all cases involving state wards in foster care or participating in the Bridge to Independence program be referred to providers of family finding services participating in the pilot project. DHHS estimates that two FTEs will be required to administer this program at a cost of \$116,397 in SFY16 and \$139,676 in SFY17. Funding for these two populations are in two different programs.

Section 7 requires that DHHS establish a data collection system and collect data from participating providers annually. DHHS estimates that this will cost \$50,000 in SFY16.

Section 8 requires that DHHS contract with an academic institution to complete an independent evaluation of the pilot project after the completion of the second year of the program. The University of Nebraska Center on Children, Families, and the Law (CCFL) recommends that the evaluation of the project commence in the first year of the project (FY2015-2016) and provided cost estimates of \$70,176 in SFY16, \$90,266 in SFY17, and \$139,402 for SFY18.

This fiscal note assumes 100% State General Funds; however, it may be possible to utilize Federal Funds for a portion of the costs. Because amounts paid to provider(s) for this service have not yet been determined it is difficult to calculate what costs would be determined reasonable and allowable under Title IV-E. The Department is currently operating under Title IV-E Waiver capped allocation which limits the amount of IV-E funds the Department is able to claim.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2015-2016	2016-2017	
	POSITION TITLE	15-16	16-17	EXPENDITURES	EXPENDITURES
	DHHS Program Specialist	0.83	1	\$36,910	\$44,292
	DHHS Resource Developer – Contract Monitoring	0.83	1	\$28,910	\$34,692

Benefits.....	\$13,795	\$16,554
Operating.....	\$156,958	\$134,404
Travel.....		
Capital Outlay.....		
Aid.....		
Capital Improvements.....		
TOTAL.....	\$236,573	\$229,942

